United States Department of Agriculture
Research, Education, and Economics

ARS ❏ NIFA ❏ ERS ❏ NASS

Bulletin

Title: Acquisition of Oracle Software – SmartBUY Mandatory Use

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                          Oversight Branch, AFM, ARS

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This Bulletin updates the policies and
procedures to procure Oracle software
licenses under the GSA SmartBUY Program.

1. Background

SmartBUY is an initiative of the Federal Government to support enterprise level software management through Governmentwide savings using volume buying of commercial software. The General Services Administration (GSA) is designated as the Executive Agent under the Clinger-Cohen Act for SmartBUY interagency initiatives and leads the interagency team in negotiating Governmentwide enterprise licensing for commercial, off-the-shelf software that is generally acquired using licensing agreements. GSA publishes SmartBUY requirements in the Federal Business Opportunities (FedBizOpps) prior to any negotiations to ensure there is competition and visibility in the procurement process.

As directed by Memorandum M-03-14, issued by the Office of Management and Budget (OMB), (http://www.whitehouse.gov/omb/memoranda/m03-14.html), agencies are required to meet the following annual objectives as a part of their mandatory participation in the SmartBUY Program: (1) collection of information of all current and anticipated needs for relevant software, including pricing and unique terms and conditions; (2) development of a migration strategy to transition into the Governmentwide SmartBUY Program as quickly as practicable; and (3) integration of common desktop and server software licenses under the leadership of the SmartBUY team, including refraining, to the maximum extent possible, from renewing or entering into new license agreements without prior consultation with and consideration of the views of the SmartBUY team. GSA will use this information to negotiate potential software agreements for Governmentwide use.

Collection of this information will be coordinated by the USDA, Office of Procurement and Property Management (OPPM), through the Research, Education, and Economics (REE), Chief Information Officers, and sent to GSA and OMB. GSA will request agencies to update their projections when they are ready to pursue a new SmartBUY opportunity.

The SmartBUY initiative includes the following types of software licenses: Office Automation; Network Management; Antivirus; Database; Business Modeling Tools; and Open Source Software Support.

2. Policy

OMB, by issuance of Memorandum M-03-14, required the use of GSA SmartBUY agreements for all Oracle software licenses as stated above.

OMB provided additional clarification and guidance on acquiring software under memorandum number M-04-08, Maximizing Use of SmartBUY and Avoiding Duplication of Agency Activities with the President's 24 E-Gov Initiatives (http://www.whitehouse.gov/omb/memoranda/fy04/m04-08.pdf) and memorandum number M-04-16, Software Acquisition (http://www.whitehouse.gov/omb/memoranda/fy04/m04-16.html).

3. SmartBUY Procedures

If Oracle software is required, the program office must submit a written brand name justification to the contracting office indicating that a "particular brand name, product, or feature is essential to the Government's requirements, and market research indicates other companies' similar products, or products lacking the particular feature, do not meet, or cannot be modified to meet, the agency's needs." If the justification is approved by the contracting office, the requirement will be processed using the appropriate GSA SmartBUY agreement.

GSA has negotiated Blanket Purchase Agreements (BPA) under the Federal Supply Schedules to be utilized for SmartBUY purchases. A complete listing of products available under the BPA's can be found at the following address:
http://www.gsa.gov/Portal/gsa/ep/contentView.do?programId=15922&channelId=-24765&ooid=22458&contentId=22490&pageTypeId=17112&contentType=GSA_BASIC&programPage=%2Fep%2Fprogram%2FgsaBasic.jsp&P=SBUY

Note: Most information technology (IT) requirements exceeding $25,000 in total cost must obtain an approved IT Acquisition Approval Request (AAR) from the USDA OCIO. **This is a separate waiver from the SmartBUY waiver discussed below.** See OCIO Bulletin 07-002 for ARS IT AAR procedures. For additional REE agency specific IT AAR procedures, contact your respective Chief Information Officer.

4. SmartBUY Waivers

To purchase Oracle products outside of the SmartBUY Program, you must obtain a waiver at **any** dollar level. Waivers must be submitted through the REE agency CIO using the sample waiver request letter included in this issuance (Enclosure) to the USDA CIO using the same procedures used for the IT AAR (See note above).

All SmartBUY waiver requests must be approved by the USDA, Chief Acquisition Officer (CAO) and Chief Information Officer (CIO), prior to submittal to GSA for consideration. USDA organizations are not to submit waiver requests directly to GSA. Waivers are to be used in emergency situations only until the requirement can be transitioned into the SmartBUY Program. The USDA CIO will coordinate the review of SmartBUY waiver requests with OPPM. OPPM will convey waiver requests in which the USDA CAO and CIO have approved to GSA. **Note:** GSA and OMB advise that few waivers will be granted.

LARRY R. CULLUMBER
Director
Acquisition and Property Division

Enclosure

Sample Waiver Request Letter
(To be submitted to the USDA CIO as stated in Section 4)

DAA, Electronic Government and Technology
GSA
1800 F STREET NW 2239
WASHINGTON DC 20405-0001
SmartBUYWaiver@gsa.gov

Date:

Dear Deputy Associate Administrator,

The *(agency)* is requesting approval to enter into a non-SmartBUY agreement for *(software publisher)* products which are (currently available through_____/has been announced as pending). This request is necessary because the (agency) has a compelling need based on (enter justification).   The following provides details of the potential agreement:

   Software Package: _____
   For use by (Department/Bureau/Organization): _____
   Enterprise wide license: <u>yes or no</u>
   Number of seats, licenses, or processors: _____
   Length of time for requested waiver: _____
   Software purchase price (separately include maintenance and support costs)
   Difference in costs for obtaining through existing SmartBUY agreement or if a SmartBUY agreement is not in place, the GSA schedule price. _____ (agency must include supporting documentation)

The contract will include a clause that states: (software publisher/reseller) agrees to include language that, should a SmartBUY agreement be subsequently established for (software title) products and services, (software publisher) agrees to lower its prices to its reseller(s) or allow the (agency) to move to the SmartBUY agreement.

(Agency) also understands that contract options will be done on an annual basis and approval of this request will ensure near-term continuity of critical *(agency)* purchasing while providing the means to transition to the government wide SmartBUY license agreements as quickly as practicable. For additional information, contact _____ on (telephone) or (email).

Sincerely,

(Agency CAO and CIO)

(name)
(title)

cc: Office of Management and Budget, Administrator for Office of E-Gov and IT